

BUDGET, FINANCE & INVESTMENT COMMITTEE

May 7, 2009

5:30 P.M.

Courthouse

MINUTES:

Members Present:

Comm. Bob Bullen
Comm. Joe Frank Jernigan
Comm. Will Jordan
Comm. Robert Peay, Jr.
Comm. Steve Sandlin
Comm. Doug Shafer
Comm. Joyce Ealy, Chrm.

Others Present:

Ernest Burgess
Teb Batey
Bill Boner
Truman Jones
Lisa Nolen
Lois Miller
Mary Schneider

Others Present:

Regina Nelson
Curtis Little
Robert Asbury
Mac Nolen
Jeff Sandvig
Elaine Short

Chairman Ealy presided and called the meeting to order at 5:30 P.M. with Comm. Sandlin being absent at that time.

APPROVE MINUTES:

The minutes of the April 30, 2009 Budget Committee meeting were presented for approval.

Comm. Shafer moved, seconded by Comm. Jernigan to approve the minutes as presented. The motion passed unanimously by acclamation with Comm. Sandlin being absent at that time.

INVESTMENT REPORT:

Mr. Teb Batey, Trustee, presented the monthly Investment Report for the use and information of the committee advising that no investment transactions had taken place during the past month. The LGIP interest for the month was .93%. Mr. Batey advised that the interest rate had not dropped below 1% since 1999. Mr. Batey advised that the interest rate received from LGIP at the end of March was 1.13%. He explained that out of 71 pools that were similar to LGIP only three pools were paying above 1%. He stated that Tennessee's pool had done better than most of its peers and had performed better than what the county was getting when investments were being bid.

Following review, Comm. Jordan moved, seconded by Comm. Peay to approve the monthly Investment Report as presented. The motion passed unanimously by acclamation.

The Trustee requested approval of the following budget amendment to provide sufficient funding for the Property Tax Relief Program for the remainder of the Fiscal Year. He advised that the appropriation for the Property Tax Relief Program in the 08-09 budget had been increased significantly, but the estimate was still under what the requirements were:

From: 101-39000 – Undesignated Fund Balance -	\$85,000
To: 101-58900-540 – Property Tax Relief Program -	\$85,000

Comm. Peay moved, seconded by Comm. Jernigan to approve the budget amendment as requested to provide sufficient funding for the Property Tax Relief Program to complete the Fiscal Year. The motion passed by roll call vote with Comm. Sandlin being absent at that time.

Mr. Batey advised that the Property Tax Relief applicants had increased approximately 65% over last year. He stated that he did not anticipate that much of an increase for next year.

FUND CONDITION REPORT:

Mrs. Lisa Nolen, Finance Director, presented the monthly Fund Condition Report for the period ending April 30, 2009 for the use and information of the committee advising that the Development Tax collections for the month were \$161,250. After an adjustment of \$76,500 the net year-to-date collections were \$2,374,600. This compared to the same period last year when April's collections were \$288,000, and the year-to-date collections were \$3,430,500.

The Finance Director advised that the total fund cash balances at the end of April were \$150,538,458 with \$139,356,929 being operating funds, and \$11,181,529 being borrowed funds. This compared to the same month last year when the total cash balances were \$179,857,174 with \$147,614,598 being operating funds and \$32,242,576 being borrowed funds.

The Finance Director presented an analysis of the revenue collections advising that most of the local taxes were doing better than in previous years. However, the revenue from Mineral Severance Tax in the Highway Fund was down. The areas that were not performing as well as hoped for were the same areas that had been mentioned previously such as Licenses and Permits, Charges for Services, and Excess Fees from the Elected Officials.

Following review, Comm. Bullen moved, seconded by Comm. Jernigan to approve the Fund Condition Report as presented. The motion passed by roll call vote with Comm. Sandlin voting "pass".

Chairman Ealy asked the Finance Director to give a brief summary of the results of the rating calls with Moody's and Standard and Poor's regarding the next bond issue.

The Finance Director advised that she was pleased to report that the county had retained its bond rating with Moody's being an Aa2 and Standard and Poor's being an AA+ with a stable outlook. She advised that she had been concerned about Moody's rating, because earlier in the year they had issued a negative outlook on all municipal debt. She advised that what was interesting was that Moody's not only rated the new issue, but also re-evaluated all previous issues and reaffirmed all of the Aa2 ratings on all of the previous long term issues.

She advised that both agencies asked about the fund balance policies, and she and the Mayor advised that the county was retaining the policies. She advised that Moody's was concerned about the use of fund balance, and the county's ability to match recurring revenue with recurring expenditures and to maintain, at a minimum, future reserves would be an important consideration in rating analysis. Moody's believed that continued use of the General Fund balance would diminish the county's overall financial flexibility and could place negative pressure on the current rating.

Comm. Jernigan asked why that would be so, if the 15% Fund Balance Policy was maintained.

The Finance Director advised that of municipalities that were rated AA, Rutherford County was at the bottom. She advised that the average percentage maintained by other municipalities with the same rating was between 23% and 27%.

Comm. Jernigan stated that he would like for the mayor to follow up on that to see what municipalities Rutherford County was being compared to.

Comm. Jordan stated that Rutherford County needed to get back to a balanced budget.

Mayor Burgess stated that Rutherford County was going to have to stay within the 15% Fund Balance Policy. He stated if the county dropped below that, the current rating would not hold.

INSURANCE REPORT:

Mrs. Lois Miller, Insurance Director, presented the monthly Insurance Report for the use and information of the committee advising that after 10 months the average cost per employee per month for the health insurance was \$602.12. That compared to the same timeframe last year when the cost per employee per month was \$532.44, which meant that the plan had increased by 13% over last year. The vision and dental costs remained stable. The office visits at CareHere showed a slight decline for the month. The costs for the CareHere visits had stabilized to approximately \$80 per visit, and last year at this time the cost was \$94.47, which was a decrease of 18% on the cost per visit. She advised that through March, a significant portion of the claim activity was due to large claims.

Mrs. Lois Miller advised that the Worker's Compensation claims were running 104% over last year, which included growth and payroll expansion.

Following review, Comm. Jordan moved, seconded by Comm. Sandlin to approve the Insurance Report as presented. The motion passed unanimously by roll call vote.

RECOMMENDATION IMPLEMENTING A "NO-SHOW" CHARGE AT THE CAREHERE CLINICS:

Mrs. Miller advised that the Insurance Committee was recommending implementing a payroll deduction charge for missed appointments at the CareHere Clinics. She advised that the CareHere Clinics were a huge benefit to employees and were very convenient and very heavily utilized. During the current fiscal year, the CareHere clinics have experienced a 97% appointment to capacity ratio. She stated that the clinics were virtually at full utilization with very few open appointments. During the same time period, a 6% no-show rate had been experienced. Mrs. Miller explained that 916 appointments were made by Rutherford County members who did not cancel or show up for their appointments.

A study of the data demonstrated that most of the employees who did not show up for their appointments did so once or twice, but 103 persons missed three or more with 14 persons missing six or more appointments, and one person missed nine appointments.

When appointments are not kept but not cancelled, it eliminates the opportunity for others who may need appointments from seeking care at the clinics.

She advised that the Insurance Committee was recommending instituting a no-show charge of \$25 to members who fail to attend scheduled appointments. The charge will be payroll-deducted for active employees and their family members, and billed to retirees. The charge will become effective if the employee fails to cancel an appointment within 24 hours of the scheduled time. There will be one missed appointment excused during the benefit year, but subsequent misses will be charged. She stated that this proposal was not a revenue-producing initiative. The goal was to open up appointment capacity that should be available based on the clinic hours and staffing.

Mrs. Miller advised that the implementation of a no-show charge would go along with some education to the employee, whereby when they make an appointment, they will receive notification that there could be a charge for not showing up for the appointment. Also, CareHere will send a 24-hour advance notice reminding individuals of their appointment.

Following discussion, Comm. Bullen moved, seconded by Comm. Shafer that effective January 1, 2010 a "no-show" charge of \$25 dollars would be implemented to members who fail to attend scheduled appointments at the CareHere Clinics to be payroll deducted for active employees and their family members, and billed to retirees, with the charge to become effective if the employee fails to cancel an appointment within 24 hours of the scheduled time. Additionally, that one missed appointment would be excused during the benefit year. The motion passed unanimously by roll call vote.

RECOMMENDATION REVISING THE HEALTH RISK ASSESSMENT AWARDS PROGRAM:

Mrs. Miller advised that currently the county provided an opportunity for employees to win an award if they completed their Health Risk Assessment (HRA). The purpose of the awards is to publicize the availability of the program and to get members engaged in the process. She advised that names were drawn randomly by CareHere for a \$500 employee monthly prize, a \$4,000 annual spouse prize, and a \$10,000 annual employee prize. Of this total \$20,000 annual cost, CareHere provides \$10,000 and Rutherford County provides \$10,000. There are 14 total prizes awarded.

In 2008, 2,173 Rutherford County health plan members had their HRA done. That is 23% of the eligible population. Mrs. Miller advised that she would like to see this number nearer to 50%.

Mrs. Miller advised that when the arrangement was approved by the Budget Committee last year, they requested that the program be expanded this year to increase the number of employees impacted by these awards.

The following revisions to the HRA award program utilizing the same total funds were recommended by the Insurance Committee:

1. Five monthly \$100 prizes
2. Four Quarterly \$1,000 prizes for spouses
3. Four quarterly \$2,500 prizes for employees
4. HRA “fairs” at specific locations – five currently scheduled
5. Robust education regarding the HRA and its benefits, and the prizes available
6. Prizes to be based on a 12-month rolling participation base

Mayor Burgess advised this would increase the number of participants who would be eligible to receive the awards from 14 to 92.

Following discussion, Comm. Jernigan moved, seconded by Comm. Shafer to revise the Health Risk Assessment award program effective January 1, 2010 by awarding five monthly \$100 prizes, four quarterly \$1,000 prizes for spouses, four quarterly \$2,500 prizes for employees, HRA “fairs” at specific locations, and robust education regarding the HRA and its benefits and the prizes available with the prizes to be based on a 12-month rolling participation base. The motion passed unanimously by roll call vote.

RECOMMENDATION REVISING RATE STRUCTURE OF MEDICAL INSURANCE PLAN FROM TWO TIERS TO FOUR TIERS:

Mrs. Miller advised that an experience analysis of the health insurance plan indicated the need for an adjustment to the medical rates for the 2010 policy year. Active Employee Option One needed an additional 7.5% added to the total rates, while Options Two and Three could remain unchanged. She explained that it was clear that the poor experience was primarily occurring in the richest plan, and that anti-selection was present. She advised that it was clear that members had selected Option One, because they knew the benefit was better.

Mrs. Miller advised that due to budget constraints the county could not absorb any additional costs for the medical plan.

The Insurance Committee recommended changing the rate structure from a two tier plan to a four tier plan. The rates would go from single/family to employee, employee plus spouse, employee plus children, and employee plus family. The new rates would protect family enrollees from the full brunt of their membership. The new rates would include most of the necessary increase, but about a third would need to be offset by identical plan changes to both Option One and Option Two in order to remain budget neutral. Mrs. Miller explained that four tier rates were the most equitable to enrollees of the plan because the structure more closely aligned the membership to the premiums paid.

Mrs. Miller advised that the renewal for the pre and post-65 retirees was not voted on at the Insurance Committee meeting, but the plan changes would have an impact on those plans, because pre-65 retirees were enrolled in the current plans, and the post-65 retirees were enrolled in the same pharmacy plan. The proposed increases for the retirees would be discussed at the next Insurance Committee meeting.

The adjusted monthly four tier rates were as follows:

Option One:Employee:

Total Rate:	\$443.10
County Contribution:	349.09
Employee Contribution:	94.01

Employee + Spouse:

Total Rate:	\$930.50
County Contribution:	733.09
Employee Contribution:	197.41

Employee + Child(ren):

Total Rate:	\$819.73
County Contribution:	645.82
Employee Contribution:	173.91

Employee + Family:

Total Rate:	\$1,284.98
County Contribution:	1,066.53
Employee Contribution:	218.45

Option Two:Employee:

Total Rate:	\$389.28
County Contribution:	349.09
Employee Contribution:	40.19

Employee + Spouse:

Total Rate:	\$817.49
County Contribution:	733.09
Employee Contribution:	84.40

Employee + Child(ren):

Total Rate:	\$720.17
County Contribution:	645.82
Employee Contribution:	74.35

Employee + Family:

Total Rate:	\$1,128.91
County Contribution:	1,012.37
Employee Contribution:	116.54

Option Three:Employee:

Total Rate:	\$349.09
County Contribution:	349.09
Employee Contribution:	-0-

Employee + Spouse:

Total Rate:	\$733.09
County Contribution:	733.09
Employee Contribution:	-0-

Employee + Child(ren):

Total Rate:	\$645.82
County Contribution:	645.82
Employee Contribution:	-0-

Employee + Family:

Total Rate:	\$1,012.37
County Contribution:	1,012.37
Employee Contribution:	-0-

Mrs. Miller advised that these rates allocated the premiums over the numbers of members in each tier. She stated this was more fair to the employees who were enrolled. She explained that would put a heavy burden on the family rate, because they would have the most membership. She advised that the Board of Education had requested a softer split on the contributions for families in Option One in order to spare some of the brunt of that increase. She advised that the county contribution would be 79% across the board except for the family contribution, where the county would contribute 83%. She advised that this percentage split was applied to the county, the certified School Board employees, and the classified School Board employees.

In addition, the contribution percentages were adjusted to make Option One more of a buy-up option than what it is now.

With Option Two the contribution percentages have been revised slightly with the county contributing 90%, and the employee contributing 10%.

Mrs. Miller advised that the restructuring of the premiums and the split between the county and the employee had not been negotiated by the Board of Education.

Mrs. Miller advised that the fact that the contributions had been changed for the families added an additional cost to Rutherford County of \$705,327. She advised that the total necessary premium increase for Option One was \$1,890,761. The percentage of the increase funded by the county was 37%, and the actual percentage increase passed to the employee was 4.7%. Because of this, it was necessary to implement some plan changes to remove the \$705,327 increase to the county and for the revisions to remain budget neutral. The recommended plan changes would apply to Options One and Two and to the Pharmacy Plan. The out-of-pocket maximum would increase by \$250, the Emergency Room Co-pay would increase from \$100 to \$250, the lifetime maximum would increase from \$2 million to \$5 million, and the pharmacy out-of-pocket maximum would increase from \$1,100 to \$1,250.

Comm. Peay asked if the county had implemented a plan whereby employees who did not participate in the health insurance plan were paid for not participating in the plan.

Mrs. Miller advised that Rutherford County did not have that program. Mrs. Miller advised that Rutherford County had a high utilization of the plan, and she explained that even though the premium rates were changing year over year, they were significantly below other plans. She advised that she would look into that for the future.

Mayor Burgess advised that he believed there would be a substantial risk with individuals who might not participate in the plan even if they needed it. He stated he would be concerned that there would be individuals who would suffer a financial risk by not taking the insurance.

Following review, Comm. Shafer moved, seconded by Comm. Jordan to approve the recommendation of the Insurance Committee revising Rutherford County's Health Plan medical rate structure effective January 1, 2010 from a two tier plan (single plan or family plan) to a four tier plan (employee, employee plus spouse, employee plus child or children, or employee plus family); and further, to revise the plan for Options One and Two to increase the out-of-pocket maximum by \$250, to increase the emergency room co-pay from \$100 to \$250, to increase the lifetime maximum from \$2 million to \$5 million and to increase the pharmacy out-of-pocket from \$1,100 to \$1,250. The motion passed unanimously by roll call vote.

GENERAL FUND BUDGET AMENDMENTS

PROPERTY ASSESSOR:

Mr. Bill Boner, Assessor of Property was present to request approval of the following budget transfer to provide adequate funding for the Data Processing Services for the remainder of the Fiscal Year:

From: 101-52300-709 – Data Processing Equipment -	\$10,000
To: 101-52300-317 – Data Processing Services -	\$10,000

Comm. Peay moved, seconded by Comm. Bullen to approve the budget transfer for the Property Assessor as requested. The motion passed unanimously by roll call vote.

AMBULANCE SERVICE:

Finance Director Lisa Nolen requested approval of the following budget amendments for the Ambulance Service to provide additional funding for the Gasoline Account, Utilities Account, and to appropriate revenue received for medical coverage at events to the Overtime Account and the related benefits:

From: 101-58900-425 – Miscellaneous/Gasoline -	\$25,000
To: 101-55130-425 – Ambulance/Gasoline -	\$25,000

From: 101-39000 – Undesignated Fund Balance -	\$20,000
To: 101-55130-452 – Utilities -	\$20,000

Increase Revenue: 101-43990 – Other Charges for Service -	\$15,965
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Increase Expend.:	101-55130-187 – Overtime Pay -	\$12,702
	101-55130-201 – Social Security -	990
	101-55130-204 – State Retirement -	2,042
	101-55130-212 – Employer Medicare -	231

Comm. Peay moved, seconded by Comm. Sandlin to approve the budget amendments for the Ambulance Service as requested to provide additional funding for the Gasoline Account, Utilities Account and to appropriate revenue received for medical coverage at events to the Overtime Account and the related benefits. The motion passed unanimously by roll call vote.

APPROVE GRANT APPLICATION TO AMERICAN HEART ASSOCIATION:

The Finance Director provided a copy of a letter from Tambry Brechon, Rutherford County Heart Ball Director, to Randy White, Rutherford County EMS thanking him for his help in coordinating the purchase and placement of 24 AED's made possible by the funds raised at the 2007-2008 Heart Ball. Mrs. Nolen advised that \$24,000 was available for the purchase of the AED's. She advised that the AED's would be placed in county buildings and schools. She requested approval of the following budget amendment to recognize a \$24,000 contribution from the American Heart Association and to appropriate the funds for the purchase of 24 AED's:

Increase Revenue:	101-44570 – Contributions/Gifts -	\$24,000
Increase Expend.:	101-55130-735 – Health Equipment -	\$24,000

Comm. Jordan moved, seconded by Comm. Sandlin to approve the contribution from the American Heart Association in the amount of \$24,000 for the purchase of 24 AED's and to approve the budget amendment as requested recognizing the contribution and the related expenditure. The motion passed unanimously by roll call vote.

ASSISTANCE TO FIREFIGHTERS GRANT APPLICATION:

Mrs. Nolen advised the committee of Assistance to Firefighters grant funds that were available through the U. S. Department of Homeland Security. The Ambulance Service has requested permission to apply for the grant, which requires a 25% match. The Ambulance Service would like to use the funds to purchase two ambulances, personal protective equipment and training. The committee discussed a source for the 25% match.

Comm. Jordan advised that the Ambulance Service could be given permission to apply, and the cost to the county could be reviewed before accepting the grant if awarded. He suggested that a Fiscal Note should be provided.

Mayor Burgess advised that if the award was for approximately \$300,000, the county's portion would be \$75,000.

Comm. Sandlin stated if the application was approved and a grant was awarded, he would want it to come back through the committee process to determine if the grant funds would be used to purchase one or two ambulances.

Following discussion, Comm. Bullen moved, seconded by Comm. Sandlin to authorize the County Mayor and other appropriate officials of Rutherford County to submit an application to the U. S. Department of Homeland Security for the 2009 Assistance to Firefighters Grant as requested. The motion passed unanimously by roll call vote.

DRUG COURT:

Ms. Mary Schneider, Drug Court Coordinator, was present to request approval of the following budget transfer to provide sufficient funding for the Travel Account for the remainder of the Fiscal Year:

From:	101-53330-435 – Office Supplies -	\$ 881
To:	101-53330-355 – Travel -	\$ 881

Ms. Schneider advised that the increase was needed for the case monitor to make home visits. She advised that the mileage was more than anticipated. She explained that the travel money was not being used for conferences or out-of-town trips.

Following review, Comm. Peay moved, seconded by Comm. Sandlin to approve the budget transfer to provide sufficient funding for the Travel Account for the remainder of the Fiscal Year as requested. The motion passed unanimously by roll call vote.

BYRNE/JAG RECOVERY ACT GRANT APPLICATION:

Ms. Schneider advised of funds that were available through the Tennessee American Recovery and Reinvestment Act of 2009 for the Edward Byrne Memorial Justice Assistance Grant Program. She explained that these funds were part of the stimulus money, and she advised that if the grant was awarded she was proposing to use the grant funds to hire a consultant to conduct an evaluation of her program. She explained that at this point she had nine years of statistics. The money could be used to do a comparative analysis between people who do not go through Drug Court who are exactly the same type of population with people who do go through Drug Court.

She advised that the second year of the grant she would have a cost benefit analysis done to see if the Drug Court was actually saving the county money.

The grant is a two-year grant from July 1, 2009 to June 30, 2011 in the federal amount of \$50,000 per year with no match requirement. The total amount of the grant is \$100,000. However, Ms. Schneider stated that she would only need approximately \$52,000 for the two years. Ms. Schneider advised that the State had verbally said that this was an appropriate use of the grant funds.

Ms. Schneider advised that Comm. Farley had questioned if a local firm could be used to conduct the evaluation. She stated that she had looked into that, and MTSU would be the only option, but she had not contacted them at this point. She explained that there was someone in Brentwood who could evaluate the program, as well as the University of Tennessee.

Following discussion, Comm. Sandlin moved, seconded by Comm. Jordan to authorize the County Mayor and other appropriate officials of Rutherford County to submit an application to the State of Tennessee, Department of Finance and Administration for the 2009 American Recovery and Reinvestment Act, Edward Byrne Memorial Justice Assistance Grant Program in the amount of \$100,000 for two years to hire a consultant to perform an evaluation of the Drug Court Program; and further to authorize the County Mayor to execute said grant subject to it being awarded. The motion passed unanimously by roll call vote.

FAMILY TREATMENT COURT:

Ms. Schneider advised of a second grant that she would like to apply for through the Department of Justice, Office of Justice Programs in the amount of \$500,000 for three years, which would require a 25% match. The match could be provided through in-kind services. She advised that everything had not been worked out on the grant, but she would like permission to apply if she chose to. The grant funds could be used for the Family Treatment Court. She advised that she and Judge Davenport were meeting with DCS to get a firm commitment from them. She stated that she would need to find out why the Family Treatment Court was not getting the referrals before, and if she did not get a satisfactory answer from them, she would not apply for the grant. The deadline to apply for the grant was June 15.

Comm. Jordan advised that the June County Commission meeting was June 11, and Ms. Schneider would have time to get more information.

Mayor Burgess advised that if she was already using the building for the in-kind services on another grant, that she could only use it once.

The committee directed Ms. Schneider to take the grant through the committee process beginning with the Public Safety Committee.

SHERIFF'S DEPARTMENT:

Sheriff Truman Jones and Chief Regina Nelson were present to request approval of the following budget amendments:

From: 101-54110-431 – Law Enforcement Supplies -	\$ 13,750
To: 101-54110-336 – Maint./Repair Equipment -	\$ 13,750
to cover maintenance on video camera equipment	

From: 101-54110-140 – Salary Supplements -	\$ 2,000
To: 101-54110-169 – Part Time Personnel -	\$ 2,000
to cover part time school patrol	

Increase Revenue: 101-48130 – Contributions -	\$ 25,000
Increase Expend.: 101-54210-707 – Jail/Building Improve.	\$ 25,000
to appropriate revenue from Murfreesboro Police Department for the Printrak Agreement	

Increase Revenue: 101-44530 – Sale of Equipment - \$ 21,048
Increase Expend.: 101-54110-336 – Maint./Repair Equipment - \$ 21,048
to appropriate revenue from the sale of vehicles

Increase Revenue: 101-47990 – Other Federal Revenue - \$ 24,764
Increase Expend.: 101-54210-707 – Jail/Building Improve. - \$ 24,764
to appropriate revenue from the Department of Justice for the State Criminal Alien Assistance Program

Chief Nelson advised that the State Criminal Alien Assistance Program (SCAAP) provided federal payments to states and localities that incurred correctional officer salary costs for incarcerating undocumented criminal aliens with a least one felony or two misdemeanor convictions for violations of state or local law, and incarcerated for at least four consecutive days during the reporting period.

Chief Nelson continued requesting approval of the following budget amendments:

From: 101-54210-334 – Maintenance Agreements - \$ 7,100

To: 101-54210-335 – Maint/Repair Buildings - \$ 6,000
101-54210-441 – Prisoner Clothing - 1,100
to cover estimated expenses

From: 101-54210-196 – In-Service Training - \$ 5,000
101-54210-336 – Maint./Repair Equipment - 5,000

To: 101-54210-410 – Custodial Supplies - \$ 10,000
to cover estimated expenses

From: 101-54210-710 – Food Service Equipment - \$ 4,000
To: 101-54210-441 – Prisoner Clothing - \$ 4,000
to cover estimated expenses

Increase Revenue: 101-49700 – Insurance Recovery - \$ 5,867
From: 101-58900-505 – Miscellaneous/Judgments - 14,734

To: 101-54110-718 – Motor Vehicles - \$ 20,601
to appropriate insurance proceeds and to transfer from Judgments to replace a totaled patrol vehicle

Increase Revenue: 101-47250 – Law Enforcement Grant - \$ 10,535
Increase Expend.: 101-54110-709 – Data Processing Equip. - \$ 10,535
to appropriate the 2008 Law Enforcement Block Grant funds for Data Processing Equipment

From: 101-54210-334 – Maintenance Agreements - \$ 3,600
To: 101-54210-411 – Data Processing Supplies - \$ 3,600
to cover estimated expenses

From: 101-54110-709 – Data Processing Equipment - \$ 2,500
To: 101-54110-411 – Data Processing Supplies - \$ 2,500
to cover estimated expenses

Comm. Bullen moved, seconded by Comm. Sandlin to approve the budget amendments for the Sheriff's Department as requested. The motion passed unanimously by roll call vote.

GRANT APPLICATION FOR COPS HIRING RECOVERY PROGRAM:

Chief Nelson requested approval to submit a grant application for the COPS Hiring Recovery Program to be used to provide funding to hire 15 deputies. This grant is provided from stimulus money and is a three-year grant that will provide salaries and benefits. The grant amount will be \$731,145 per year or a total of \$2,193,435.

Sheriff Jones advised that the grant would cover everything except for equipment. He explained that originally vehicles were included in the cost for equipment, but he advised that during the first six months the officers would be in training and that the Sheriff's Department would be able to utilize what they had to get them through the first year. He also explained that they would be requesting approval of a Justice Assistance Grant (JAG), which would be shared with Murfreesboro, Smyrna and La Vergne, and the JAG would be used to provide the equipment for the officers if they were awarded.

Comm. Bullen asked what the cost would be to the Sheriff's budget after three years.

Sheriff Jones advised that after three years, the Sheriff's Department would absorb the entire cost of \$731,145 for salaries and benefits and any equipment cost needed. It was noted that the salary and benefit cost were for 15 officers, and it might be that something less than 15 officers would be awarded.

Mayor Burgess requested that the committee approve the application. The Sheriff's Department would probably not receive a response until September. Mayor Burgess advised that the county would not have to provide any funding for the officers in next year's budget if the JAG was also awarded for the equipment. In the 2010-2011 budget, the committee would then have to consider some equipment and/or vehicles. Mayor Burgess advised that once the first three years were up, the county would have to retain the officers as part of the grant requirement.

Following discussion, Comm. Bullen moved, seconded by Comm. Peay to authorize the County Mayor and the Sheriff's Department to submit an application for the three-year COPS Hiring Recovery Program in the approximate amount of \$731,145 per year or a total cost of \$2,183,435. The motion passed unanimously by roll call vote.

RESOLUTION APPROVING APPLYING FOR THE 2009 EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT (JAG) AND APPROVING INTERLOCAL AGREEMENT:

Chief Deputy Nelson requested approval of a Resolution approving applying for the 2009 Edward Byrne Memorial Justice Assistance Grant (JAG) Recovery Program Award for 2008-2012, designating a representative for such grant and approving entry into an Interlocal Agreement between Rutherford County, the Cities of Murfreesboro and La Vergne, and the Town of Smyrna, Tennessee for the 2009 Justice Assistance Grant (JAG) Recovery Program Award.

Chief Nelson advised that there would be \$218,891 available for Rutherford County through the grant, which was being proposed to be used to acquire the equipment for the 15 deputies if awarded including the basic uniforms and equipment, the Law Enforcement Training Academy, the patrol car cameras, and the AED's for the patrol cars.

Rutherford County and Murfreesboro will combine their awards, and share them equally, less a five percent administrative fee paid to Rutherford County for acting as the Fiscal Agent.

Following discussion, Comm. Jernigan moved, seconded by Comm. Peay to approve applying for the 2009 Edward Byrne Memorial Justice Assistance Grant (JAG) Recovery Program Award for 2008-2012, designating a representative for such grant and approving entry into an Interlocal agreement between Rutherford County, the Cities of Murfreesboro and La Vergne, and the Town of Smyrna, Tennessee for the 2009 Justice Assistance Grant (JAG) Recovery Program Award and authorizing the County Mayor and other appropriate officials of Rutherford County to execute all necessary documents relating to said grant; and additionally, that the County Mayor

be authorized to execute the grant contract subject to it being awarded. The motion passed unanimously by roll call vote.

APPROVE GRANT APPLICATION FOR STOP COPS/DOMESTIC VIOLENCE INVESTIGATOR:

Chief Deputy Nelson requested approval to apply for a two-year S.T.O.P. Domestic Violence Investigator Position through the State of Tennessee, Office of Criminal Justice Programs in the amount of \$72,974, which requires a 25% local match of \$24,325. The position must be solely dedicated to the efforts of Domestic Violence. During the first year, the grant would fully fund the salary and benefits, with the county providing the 25% match in the second year.

Following discussion, Comm. Jernigan moved, seconded by Comm. Sandlin to authorize the County Mayor and other appropriate officials to submit an application to the State of Tennessee, Office of Criminal Justice Programs for a two-year S.T.O.P. Domestic Violence Investigator in the amount of \$72,974.00 and requiring a 25% cash match of \$24,325. The motion passed unanimously by roll call vote.

SOLID WASTE/SANITATION FUND BUDGET AMENDMENTS:

Mr. Mac Nolen, Solid Waste Director, was present to request approval of the following budget transfers to provide additional funding for the Overtime Pay, which has been depleted due to the tornado, Contracts with Private Agencies for the recycling effort, and the Crushed Stone Account at the Landfill:

From: 116-55732-147 – Truck Drivers -	\$ 5,000
To: 116-55732-187 – Overtime Pay -	\$ 5,000
From: 116-55732-402 – Convenience Centers/Asphalt -	\$10,000
To: 116-55739-312 – Other Waste Collection/ Contracts w/Private Agencies -	\$10,000
From: 116-55754-467 – Landfill/Fencing -	\$ 1,000
To: 116-55754-409 – Crushed Stone -	\$ 1,000

Comm. Jernigan moved, seconded by Comm. Sandlin to approve the budget transfers for the Solid Waste Department to provide additional funding for the Overtime Pay Account due to the tornado, Contracts w/Private Agencies for recycling and Crushed Stone for the Landfill. The motion passed unanimously by roll call vote.

Mr. Nolen advised that his revenue was up, due to increased volume from the tornado.

RESOLUTION INCREASING PETTY CASH AT THE LANDFILL:

Mr. Nolen requested approval of a Resolution increasing the Petty Cash Account from \$200 to \$400 in order to have enough cash on hand to make change for customers. He explained that he was running about four times busier than normal.

Comm. Bullen moved, seconded by Comm. Sandlin to approve the Resolution increasing the Petty Cash Account for the Landfill Operations and Maintenance Department from \$200 to \$400 and that Position Number 1217 be designated as the Petty Cash custodian. The motion passed unanimously by roll call vote.

GENERAL PURPOSE SCHOOLL FUND BUDGET AMENDMENTS:

Mr. Jeff Sandvig, Assistant Superintendent, requested approval of General Purpose School Fund budget amendments reallocating \$178,990 budgeted for dental insurance to the medical insurance, and reallocating budgeted medical/dental insurance. No new funds were requested. A total of \$344,628 in existing funds was reallocated to the needed major functions.

Mr. Sandvig also requested approval of a budget amendment regarding classified staff reallocating \$48,900 in budgeted classified staff funds and the related \$6,767 in benefits to the classified staff lines that need additional funding. Some of the amendments were needed because of replacement staff and/or vacation payouts. The continuing challenges with the Star Student reporting system were the reasons behind the additions to the Office of the Principal function, 72410.

Comm. Jordan moved, seconded by Comm. Sandlin to approve the General Purpose School Fund budget amendments as requested to amend \$344,628 in budgeted medical and dental insurance and \$55,667 in budgeted classified staff and benefits. The motion passed unanimously by roll call vote.

APPROVE 2009-10 STATE SUPPLEMENT JUVENILE COURT IMPROVEMENT FUNDS AND GRANT PROPOSALS WITH TENNESSEE DEPARTMENT OF CHILDREN'S SERVICES FOR YOUTH SERVICES:

An application for 2009-10 State Supplement Juvenile Court Improvement Funds in the amount of \$9,000 through the Tennessee Commission on Children and Youth was presented for approval for the Youth Services Department. This is an annual grant, which does not require any matching funds.

Also presented were proposals to the Tennessee Commission on Children and Youth for the 2009-10 Teen Learning Center in the amount of \$417,696 and for the Teen Trax Program in the amount of \$46,448.

The Finance Director advised that the Juvenile State Supplement Juvenile Court Improvements was an annual contract, and the Teen Learning Center and Teen Trax Grant Contracts provided pass-through dollars from the Tennessee Commission on Children and Youth.

Following review, Comm. Sandlin moved, seconded by Comm. Shafer to authorize the County Mayor and other appropriate officials of Rutherford County to submit the application for the 2009-10 State Supplement Juvenile Court Improvement Funds in the amount of \$9,000 and to also submit the proposals for the 2009-10 Teen Learning Center Grant Contract in the amount of \$417,696 and the Teen Trax Grant Contract in the amount of \$46,448 and to authorize the County Mayor to execute the same subject to the awards. The motion passed unanimously by roll call vote.

APPROVE GRANT AGREEMENT WITH THE REGIONAL TRANSPORTATION AUTHORITY FOR THE RELAX AND RIDE PROGRAM:

Mayor Burgess requested approval of a grant with the Regional Transportation Authority in the amount of \$9,775 for the Relax and Ride Program beginning July 1, 2009 and ending on June 30, 2010. He advised that the Relax and Ride Program serviced a substantial number of Rutherford County's citizens. He advised this was an annual request that was shared with the TDOT, City of Murfreesboro, Town of Smyrna, La Vergne, MTSU, and Davidson County.

Comm. Jernigan moved, seconded by Comm. Peay to approve the Grant Agreement with the Regional Transportation Authority in the amount of \$9,775 for the Relax and Ride Program beginning July 1, 2009. The motion passed unanimously by roll call vote.

RESOLUTION REGARDING VISA PURCHASING CARD ACCOUNT, PURCHASING CREDIT CARD ACCOUNT AGREEMENT, AND CREDIT CARD PROCEDURES:

The Finance Director advised that she was introducing an alternative approach to purchase products and services by using a credit card. She advised that the credit card would not replace the normal purchasing procedures, and would only be used in instances where it was not advantageous to use a purchase order. She advised that she did not want to have a credit card in the county. She stated that she believed that the Sheriff's Department had a credit card that was only used for extradition to hold hotel rooms when needed.

Mrs. Nolen advised that a problem had occurred whereby some technology vendors did not accept purchase orders and also did not accept checks. She explained that in the past some employees have had to make purchases by using their personal credit cards and were then reimbursed.

Mrs. Nolen explained that her recommendation would be that there would only be one credit card, and that the limit would be \$10,000. She stated that in speaking with Brian Robertson he has indicated that should take care of 90% of his needs. She advised that in case of an emergency, if an increased amount was needed, that only the Finance Director would have the authority to increase the limit. The credit card would be issued to the Mayor's Office, but they would not have the authority to increase the limit. Once the emergency passed, she would have the limit lowered back to \$10,000.

The Finance Director advised that one situation existed currently where the projection system in the courtroom was not working, and the company would not accept a purchase order nor would they accept a check.

The Finance Director advised that the credit card would be kept in the safe in the Trustee's Office. She stated that she did not anticipate that the credit card would be used more than twice in a given year. She stated use of the credit card would be the exception not the rule.

Mayor Burgess advised that he agreed with the proposal, and there would be very limited use of the credit card, and it would be closely controlled.

The Finance Director also advised of another situation where the School Board would like to purchase some books from Amazon, but Amazon also would not take a purchase order.

Mr. Sandvig advised that Amazon would take a check, but the problem was getting a refund if Amazon was not able to fill the order.

The Finance Director advised that she had worked with the Trustee to get the credit card through First Tennessee Bank, which is the bank that the Trustee is currently using. First Tennessee Bank has agreed to waive the set-up fee and the yearly fee.

Comm. Shafer asked who could sign the card purchases.

The Finance Director advised that she believed that the credit card would only be used for internet purchases or purchases made over the phone, and that the card would never leave the premises or used for travel.

Following discussion, Comm. Jernigan moved, seconded by Comm. Peay to approve a Resolution Regarding a VISA Purchasing Card Account and to authorize the County Mayor to execute the Purchasing Credit Card Account Agreement with First Tennessee Bank, and further to approve the credit card procedures setting forth the rules and regulations governing the use of the credit card. The motion passed by roll call vote with Comm. Shafer voting "no".

COMPENSATION FOR THE INSURANCE COMMITTEE:

Chairman Ealy advised that the Steering Committee had approved a recommendation to compensate the seven non-employee members of the Insurance Committee at a rate of \$100 per meeting to be paid from the Insurance Fund for attendance at Insurance Committee meetings.

Comm. Jordan asked if the seven non-employee members included commissioners.

Mayor Burgess advised that it did include commissioners.

Comm. Jordan moved, seconded by Comm. Jernigan to remove the commissioners from the list of those who would be eligible for compensation and to only compensate the four at-large members.

Comm. Sandlin stated this was brought up at the Steering Committee, because the Records Commission was going to be paid \$25 according to State statute. He stated to keep the Insurance Committee along with the same line as the Records Commission he believed the compensation should be \$25 per meeting.

Comm. Jernigan stated that the Insurance Committee was one of the hardest committees to serve on.

Mayor Burgess stated that in addition, the compensation would not apply to the sub-committees of the Insurance Committee.

Comm. Peay stated there was a problem in getting commissioners to serve on the Insurance Committee. He stated if commissioners were paid to be on the committee, there would be commissioners who would volunteer to be on the committee. He stated he would be willing for commissioners to be paid, but asked if a commissioner could turn down the payment.

Mayor Burgess advised that a commissioner could instruct his office not to put their name on the list to be turned into the Finance Department to be paid.

Comm. Jordan stated he was not looking for compensation for himself, but was thinking about the at-large members.

Mayor Burgess stated that the Insurance Committee was a very important committee, and they needed commissioners to attend. He stated that he believed commissioners should be compensated, and if any commissioner did not want to be compensated that would be their choice.

Comm. Jernigan withdrew his second to the motion.

Comm. Jordan withdrew his motion.

Comm. Peay moved, seconded by Comm. Shafer to compensate the seven non-employee members of the Insurance Committee at a rate of \$100 per meeting to be paid from the Insurance Fund for attendance at the Insurance Committee meetings effective July 1, 2009.

Comm. Jernigan asked if the Steering Committee would appoint members as vacancies occurred in the same way that members of other committees were appointed.

The Mayor advised that he appointed the at-large members, and the Steering Committee confirmed the appointments.

Following discussion, the motion to compensate the seven non-employee members of the Insurance Committee at a rate of \$100 per meeting to be paid from the Insurance Fund for attendance at the Insurance Committee meetings effective July 1, 2009 passed by roll call vote with Commissioners Bullen, Jernigan, Peay, and Shafer voting "yes"; Commissioner Sandlin voting "no"; and Commissioners Jordan and Ealy voting "pass".

ADJOURNEMENT:

Chairman Ealy reminded the committee about the next meeting on Tuesday, May 12 at 5:30 P.M. to begin the review of the 2009-2010 General Fund budget.

There being no further business to be presented at this time, Chairman Ealy declared the meeting adjourned at 7:45 P.M.